

Exhibit 2

Date: Sat, Jun 22, 1996 12:33 AM EDT

From: PYantzer

Subj: Re: Home Safely

To: EightStar

Hi Richard:

Thanks again for the wonderful tour and hospitality. I am awed by the precision to which you can cut diamonds. I believe that they truly are the most perfectly cut diamonds on the planet.

Hope to see you again soon.

Cordially,

Peter

Exhibit 3

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

HEARTS ON FIRE COMPANY, LLC,

Plaintiff,

v.

EIGHTSTAR DIAMOND COMPANY,

Defendant.

CIVIL ACTION NO. 04-12258-JLT

MAGISTRATE JUDGE ROBERT B.
COLLINGS

**AFFIDAVIT OF DANA VON STERNBERG IN SUPPORT OF DEFENDANT'S
MOTION FOR CHANGE IN VENUE**

I, Dana von Sternberg, declare under oath as follows:

1. I am the Vice President of EightStar Diamond Company ("EightStar"). I have personal knowledge of the facts contained in this affidavit and am competent to testify to the same.

2. EightStar is a company incorporated under the laws of California. Its principal place of business is at 525 East Cotati Avenue, Suite 115, Cotati, California 94931, Sonoma County, California. I am a resident of the state of California.

3. EightStar specializes in the sale of diamonds cut accordingly to its patented method, yielding a "signature cut." EightStar claims that the "signature cut" produces the most brilliant diamonds in the world.

4. On October 26, 2004, Hearts on Fire Company, LLC ("HOF") filed a complaint against EightStar in the United States District Court for the District of Massachusetts alleging two counts of unfair competition, under 15 U.S.C. §1125(a) and at common law, and

one count of unfair and deceptive acts and practices under Massachusetts General Laws, Chapter 93A.

5. I expect most of the documents and physical evidence necessary to defend against the claims brought against EightStar in this litigation are located at EightStar's headquarters in Sonoma County, California.

6. Likewise, the majority of the witnesses necessary to defend against the claims in this matter reside in California, specifically Los Angeles County and Sonoma County.

7. E.R. Sawyer Corp. ("E.R. Sawyer"), one of the three retailers alleged by HOF to be a "bad actor," is located in Santa Rosa, Sonoma County, California.

8. The Jewelry Source, the second of three retailers alleged by HOF to be a "bad actor," is located in El Segundo, Los Angeles County, California.

9. GRS Jeweler, Inc. d/b/a/ Grimball Jewelers, the final retailer, is located in neither Massachusetts nor California but rather Chapel Hill, North Carolina.

10. The alleged "bad acts" by E.R. Sawyer and The Jewelry Store occurred in California.

11. EightStar's internet website, www.eightstar.com, does not permit "interactive" ordering by potential customers; that is, there is no way to submit an order or payment for products from the website. There is not even an email address, only a place for an interested customer or retailer to enter its contact information.

12. The great majority of EightStar's authorized dealers reside in the Western United States with twenty-one (21) in California.

13. EightStar does not advertise in publications targeted at or specific to Massachusetts.

14. EightStar has not telemarketed to customers in Massachusetts.

15. EightStar has no employees in Massachusetts.

16. Only once, to my knowledge, has an EightStar representative traveled to Massachusetts for business purposes.

17. EightStar does not have a regular place of business in Massachusetts.

18. EightStar's total lifetime sales in Massachusetts is less than five percent of one year's total sales.

19. EightStar does not own nor lease any real property in Massachusetts.

20. EightStar does not maintain bank accounts or a mailing address within Massachusetts.

21. EightStar has never availed itself to the courts of Massachusetts by bringing any suits there.

22. HOF brought claims concerning the same subject matter against E.R. Sawyer, a related party similarly situated to EightStar, in the District of Northern California. On July 7, 2004, the Court filed an Order and dismissed the claims with prejudice. Attached hereto as Exhibit 1 is a true and correct copy of the Consent Judgment and Permanent Injunction, with the Settlement Agreement attached, recently printed from the Northern District of California's website.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct.

SIGNED at Rohnert Park, California, on December 22, 2004.

/s/ Dana von Sternberg
Dana von Sternberg

[illegible]

I certify that I know or have satisfactory evidence that Dana von Sternberg is the person who appeared before me and said person acknowledged that Dana von Sternberg signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Vice President of EightStar Diamond Company to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: December 22, 2004.

Notary Seal

/s/ Larry L. Shearhart (Print Name)

Notary Public

My appointment expires: October 31, 2005

CERTIFICATE OF SERVICE

I hereby certify that this document(s) filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non registered participants on March 10, 2006.

/s/ James L. Phillips

James L. Phillips